

Overview

- The challenge
- ZEV program history & technology story
- The 2003 regulation
- ARB's role in bringing ZEVs to commercialization
- Section 177 States
- **Next steps**
- Conclusion

Next Steps

- Rulemaking status
- September 2003 Board issues
- Northeast states

Rulemaking Status

- **Litigation settled**
- **2003 rulemaking package due to Office of Administrative Law by January 10, 2003**
- **On track for 2005 implementation**
- **Independent Expert Review Panel will assess technology status and inform future Board review**

September 2003 Board Issues

- **ZEV credits for supplementary activities**
 - **Stationary fuel cells**
 - **Transportation systems**
 - **Hydrogen infrastructure**

Stationary Fuel Cells

Parameter	Impact
Component Development	Positive
Cost Reduction	Slight Positive
Service Life Information	Positive
Fuel Cell Industry	Undetermined
Number of ZEVs Produced	Negative
Precedent for other ARB Motor Vehicle Regulations	Potentially Very Negative



Neutral impacts:

- Fuel cell assembly automation, Vehicle integration, Service conditions, Infrastructure, Codes and standards

Hydrogen Infrastructure

- Infrastructure critical to successful ZEV program
- Energy providers best fit
- Cleans Fuels Outlet program already requires station deployment
- California Fuel Cell Partnership is already engaged on fueling interfaces, codes and standards



Transportation Systems

- NEVs provide value to transportation systems
- Transportation system credits in alternative compliance path
- Explore credits for taxis and shuttles linked to transit centers
- Use ARB, CEC & Caltrans agreement to foster transportation system projects



Summary of Staff Review

Topic	Action
Stationary fuel cells	<ul style="list-style-type: none"> • Hesitant to recommend credits • If credits: AT PZEV, capped, sunset, California only
Hydrogen Infrastructure	<ul style="list-style-type: none"> • No ZEV credit
Transportation systems	<ul style="list-style-type: none"> • Transportation System Credits for NEVs • Allow Alternative Compliance Path for non-NEVs

Board Response

- **Board statements**
 - **Consider incentives for projects that combine fuel cells, infrastructure, and transportation**
 - **Consider providing limited ZEV credit or other incentive**
 - **Continue to explore regulatory options**
- **Board took no official action**
- **Timing of staff followup to be determined**

Northeast States

- **Northeast states will update their regulations to reflect 2003 CA changes**